

**BUDGET ADVISORY COMMITTEE MEETING
DAVIE TOWN HALL
6591 Orange Drive
November 13, 2006 at 5:30 p.m.**

1. ROLL CALL

The meeting was called to order at 5:35 p.m.

Present at the meeting were Chair Dr. Bob Preziosi, Vice Chair Scott Spages (arrived at 5:40 p.m.), and Committee Members Dan Barr and David Oakes.

Also present were Mayor Tom Truex; Carol Menke, Deputy Budget & Finance Director; Mark Kutney, Development Services Director; residents, Mr. and Mrs. Stigler; and a reporter from the *Miami Herald*.

2. APPROVAL OF MINUTES

2.1) August 14, 2006

Motion made by Mr. Barr, seconded by Mr. Oakes, to approve the August 14, 2006 meeting minutes. In a voice vote, the motion was approved.

2.2) September 18, 2006 – deferred.

3. OLD BUSINESS

3.1 Quarterly Report

a) Space Study

Nothing to report.

b) Cost Recovery

A memo was provided by Development Services to the committee. It was noted that there have been no challenges or resistance to cost recovery efforts. Chair Preziosi thanked Mr. Kutney for the information provided by his department, advising at the next meeting he would be asking the Committee Members to review and consider the report.

3.2 Set Fiscal Goals

Ms. Menke stated these materials have been given to the Committee.

a) Debt Service

Mr. Oakes asked that several typographical errors be corrected and clarifications made to the original document.

Motion made by Mr. Oakes, seconded by Mr. Barr, to approve the debt service policy with changes noted. In a voice vote, the motion was approved.

b) Reserve Budget

Ms. Menke noted that there had been discussion regarding building the reserve up to a certain percentage of the annual budget. Committee members discussed that the current reserve has not reached the goal of 25%, but is increasing. Prior to last year they were close, but lost reserves due to the hurricane which monies have not yet been recovered.

Motion made by Vice Chair Spages, seconded by Mr. Barr, to request a quarterly report on the balances in the Town's Fund Balance Reserves. In a voice vote, the motion was approved.

3.3 Annual Report – Due January 31, 2006 – deferred to the next meeting.

3.4 Capital Projects FY 2007-2011

Ms. Menke indicated that subsequent to the detailed information previously provided there have been additions and funding changes, providing a copy of the current summary to the Committee, which is the same summary that will be presented to Town Council for adoption.

It was noted that although the Committee should not be micromanaging the budget, it may be appropriate to set some policies and procedures regarding operating expense allocations, as well as a visionary or long term approach to Town build-out and "having the right buildings in the right place." It was further suggested that a report be compiled by the Town Administrator advising on each department's future outlook. Vice Chair Spages felt that basic computer equipment and software, among other items, should be budgeted for one to two years out in the general budget and not placed in capital projects. The consensus of the group was that there should be some sort of policy implemented.

Motion made by Mr. Oakes, seconded by Vice Chair Spages, to approve the proposed Capital Projects FY2007-2011 Budget with a recommendation that the Town Council leave the projects listed as "unfunded" without funding. In a voice vote, the motion was approved.

3.5 FY 2007 Budget – No discussion

3.6 Mark Kutney – Capital Improvement Element

Mr. Kutney gave a presentation providing a brief history of the CIE, legislative requirements, and mandatory elements including service levels. Financial requirements, growth policies, and schedules had to be identified and defined, as well as capital improvement amendments, which will have to be submitted to the DCA or they will not be allowed. It was pointed out that building a new Town Hall and road maintenance programs would not fall under the requirements of CIE.

Mr. Kutney stated that the new CIE would be addressing projects not previously covered. He added that there is a State definition for capital improvements, i.e., a non-reoccurring, major item requiring multi-year financing, listing seven or eight yardsticks for being a “capital improvement.”

Mr. Kutney also explained he knows very little about the Town’s capital improvement program as his department had not been involved in the planning process. Discussions had been previously held with Mr. Underwood and then-Town Administrator Willi with regard to involvement prior to the preparation of the appraisal report as it relates to the Capital Improvements Program.

An RFP is being prepared to obtain consultants to assist the Town in preparing the new Comprehensive Plan Update based upon the evaluation and appraisal report, to ensure they have a functioning CIE that: 1) addresses the needs of the service levels which are ultimately adopted, and 2) coordinates with the Capital Improvement Program. It is anticipated the entire process will take approximately two years.

Mr. Kutney stated that 9-J-5 is a minimum criteria rule promulgated by the DCA to provide governments additional guidance in drafting CIEs. New guides have been prepared, which Mr. Kutney said would be very helpful in preparing their CIE and ordinance.

He stated that when the Town does its annual letter to the DCA identifying changes made due to the capital budget, the Committee will be given a copy for review.

4. NEW BUSINESS

The meeting scheduled for January 15th, 2007 will be held on January 22, 2007 due to a holiday.

5. COMMENTS AND/OR SUGGESTIONS

Mr. Spages mentioned that he would be attending a meeting regarding partnering with economic development to see if there are common interests and/or goals between both groups.

Filling the vacancy on the Budget Advisory Committee was also discussed. The Committee members expressed appreciation for the past service of Dr. Waldee.

Mayor Truex commented on Mrs. Parrish's request for credit card records advising that her request involved voluminous records and it would be difficult to comply due to a lack of detail in the final reports, although when the information was input there was sufficient information to authorize payment. He felt a legitimate point of discussion would be the Town's policy with regard to credit card use for "social," public relation-type, or similar Town expenditures; however, he did not feel that current spending was out of control. Ms. Menke explained the Town's checks and balances procedures on credit card use.

Mayor Truex stated there are large, long term items he would like to discuss further with the Committee asking that they be agendaized for the January 2007 meeting.

6. ADJOURNMENT

As there was no further business to discuss, Mr. Barr made a motion, seconded by Vice Chair Spages, to adjourn the meeting at 6:45 p.m. In a voice vote, all voted in favor.

Date approved

Chair/Committee Member